

The Office of Economic Opportunity: An Analysis of Information
Sharing Between The Auditing and Monitoring Departments

By Debbie Curtis
S.C. Department of Probation, Parole and Pardon Services
February 10, 2014

Background:

The Office of Economic Opportunity (OEO) located in the Governor's Office of Executive Policy and Programs (OEPP) was created as a result of the passage of Act 143, the "Community Economic Opportunity Act of 1983" in South Carolina. The office was implemented to act as oversight for monies provided for by the federal government for the purpose of helping low income families in our State. Monies are awarded in the form of grants. The Director of the Office is appointed by the Governor of South Carolina. Currently, OEO administers four grants. Two of the largest grants are the Community Services Block Grant (CSBG) and the Low Income Home Energy Assistance Program LIHEAP. The two other grants are Weatherization Assistance Program (WAP) and Emergency Solutions Grant Program (ESGP). Funds for CSBG and LIHEAP come from the US Department of Health and Human Services. WAP is through the US Department of Energy and ESGP is from the US Department of Housing Urban Development. Listed below are the grant monies OEO received for the following grant funding streams:

Federal Grant	Award Amount	Grant Period
CSBG	\$ 9,716,064	1/1/13 – 12/31/13
LIHEAP	\$38,355,456	1/1/13 – 12/31/13
WAP	\$ 1,382,018	7/1/2012 – 6/30/2015
ESGP	\$ 1,961,784	4/30/2013 – 6/30/2015

For the purposes of this report, research efforts were concentrated on the CSBG and LIHEAP grants.

The grant funding from CSBG and LIHEAP are administered to 14 different Community Action Partnerships (CAP) throughout the State of South Carolina. These agencies must apply for this money on a yearly basis and must use the money to assist the low income population in their respective communities. For example, this assistance can be in the form of paying for heating bills (LIHEAP) or for emergency payments for rent, mortgage or food (CSBG).

OEO is tasked with distributing and administering this money to each of these 14 agencies. The 14 agencies listed below cover all 46 counties in SC:

- GLEAMNS Human Resources Commission, Inc.
- Aiken/Barnwell Counties Community Action Commission, Inc.
- Orangeburg-Calhoun-Allendale-Bamberg Community Action Agency, Inc.
- Sunbelt Human Advancement Resources, Inc.
- Beaufort/Jasper Economic Opportunity Commission, Inc.
- Charleston County Human Services Commission
- Piedmont Community Actions, Inc.
- Carolina Community Actions, Inc.
- Chesterfield-Marlboro Economic Opportunity Council, Inc.
- Wateree Community Actions, Inc.
- Lowcountry Community Action Agency, Inc.
- Darlington County Community Action Agency
- PeeDee Community Action Partnership
- Waccamaw Economic Opportunity Council Inc.

CSBG and LIHEAP grants allotted to each of these agencies is not the same. The monies each agency receives are based on poverty rates in each county. For example, in a large agency like GLEAMNS (Greenwood, Laurens, Edgefield, Abbeville, McCormick, Newberry, Saluda) the grant funding would be based on the poverty rates in each of these counties not their size.

According to information from the U.S. Census Bureau¹, the average poverty rate for the State of

¹ Attachment A

South Carolina is 18.3%. The average poverty rates for the following counties in GLEAMNS are as follows:

County	Poverty Percent
Greenwood	20.9%
Laurens	21.9%
Edgefield	21.1%
Abbeville	20.2%
McCormick	22.1%
Newberry	17.5%

Five of the 6 counties covered by GLEAMNS have a higher poverty rate than the SC average.

In order to ensure that the grant monies are being used for their intended purpose, OEO monitors, audits and reports on the programs and finances in each of the CAPs. This responsibility falls on the auditing department (finances) and the CSBG/LIHEAP monitoring departments.

Problem Statement:

Recently several financial discrepancies were discovered in one of the CAP's. The seriousness of these offenses were enough to consider defunding the CAP. This event in particular resulted in a discussion between the OEPP director and the OEO director about the current processes used to audit these agencies, both programmatically and financially. As the sole agency designated in South Carolina with the fiduciary responsibility to ensure that approximately \$57 million dollars of CSBG and LIHEAP grants are used correctly by these CAPs, both the OEPP and OEO director agreed that an evaluation of the auditing processes, programmatically and financially,

was necessary. The task was to examine their respective auditing processes, determine areas of risk and begin to address possible solutions.

Data Collection:

In order to better understand the Office and its mission, I read and reviewed the following material:

OEO's 2012-2013 Accountability Report

Act 143 (Economic Opportunity Act of 1983)

CSBG and LIHEAP information from the US Department of Health and Human Services website.

US Census Bureau, Small Area Income and Poverty Estimates Program (internet)

In order to understand the basics of the auditing process, I read and reviewed parts of the following books:

Introduction to Auditing: Logic, Principles and Techniques

The Quality Audit Handbook

How To Evaluate and Improve Internal Controls in Governmental Units

"Best Practices for Audit Efficiency", Journal of Accountancy, September 2000

Finally, I interviewed and observed the program monitoring team and the financial auditing team in their respective field audits as well as the Director of OEO.

GLEAMNS – program monitoring

Orangeburg-Calhoun-Allendale-Bamberg Community Action Agency, Inc.
(OCAB) – program monitoring

Chesterfield /Marlboro – financial audit

Data Analysis:

Since my experiences with auditing have only been limited to evaluating relatively small work processes within an office, i.e. distribution and efficient answering of incoming inquiries, I needed to understand on a broader scope the purpose of auditing and suggested best practices.

An audit, at its simplest level, “review(s) something that has been done or is being done.”² It is the auditor’s job, “to determine truly what is and what is not the case and to assure that what has been properly communicated.”³ While auditors use many different approaches and processes, the “audit logic sequence”⁴ as explained in Ratliff’s book was the easiest to follow:

1. Understand the Auditee.
2. Set the audit objectives.
3. Determine the required evidence.
4. Decide what audit procedures to use.
5. Collect and analyze the audit evidence.
6. Develop audit findings and conclusions.
7. Report the audit.

Using these definitions and this audit process as a backdrop, I approached the problem by “auditing” the OEO processes internally and then specifically in the program monitoring unit and the financial auditing unit.

Office of Economic Opportunity

² Richard L. Ratliff, “Introduction to Auditing: Logic Principles, and Techniques”, 2002, Introduction xv

³ Ratliff, Introduction xv

⁴ Ratliff, 1

Probably the one factor an auditor considers when reviewing processes is risk assessment. Risk assessment is the “entity’s identification and analysis of relevant risks to achievement of its objectives forming a basis for determining how the risks should be managed.”⁵

According to the organizational chart in the latest OEO Accountability report, the CSBG/LIHEAP program monitoring department and the financial auditing department report directly to the Director of OEO.⁶ The two departments routinely and exclusive of each other, conduct their audits in the field as dictated by their respective schedules.

Each program has their own process as to how they conduct their audits. Their audit schedules do not overlap, align nor follow each other.⁷ There is no formal process as to how these programs share the results of their audit, evaluate and act if necessary. The programs share their information on an as needed basis.

In an article in the Journal of Accountancy, Deborah Lambert, partner of Johnson Lambert & Co., “recommends bringing the whole audit team together”. She states, “The senior people can talk about industry risks, while the middle-level people tend to know more about control issues and the competency of the client. The youngest people may not understand it all but they can learn a lot. By putting the whole engagement team together, we help all of them understand the different types of risk.”⁸

The absence of an information sharing process between these two departments is one that if implemented, would minimize risk. What may be an issue for the financial auditing team may

⁵ Ratliff, 54

⁶ Attachment B

⁷ Attachment C

⁸ Anita Dennis, “Best Practices for Audit Efficiency”, *Journal of Accountancy*, September 2000 (<http://www.journalofaccountancy.com/issues/2000/Sep/BestPracticesForAuditEfficiency>)

also impact the program monitoring team. At the very least, it may be information the program monitoring unit should consider before conducting their own audit on that very same CAP.

While the establishment of this process, would improve internal controls and minimize risk, there is another “process” that I also feel needs further exploration. It is important to note and re-state here that the Director of OEO is appointed by the Governor of South Carolina. Any and all processes that were, currently and/or are going to be implemented are directly impacted by a leadership that is subject to change every 4 years or less. One auditor I interviewed stated that in her 17 years of service to OEO, there were 14 directors. Even for the best processes that are always evaluated and re-evaluated, to account for expected changes such as laws and demographics, it is a certainly a challenge to effectively implement and maintain processes in that type of environment.

As the sole entity responsible for the oversight of over \$40 million in federal grants, it is imperative to encourage an environment with consistent leadership.

Currently, the legislature is due to consider S22, Restructuring Act of 2013; State Agency Deficit Prevention and Recognition Act.⁹ A portion of this bill affects the restructuring of the Office of Executive Policies and Programs thus the Office of the Economic Opportunity. This may be the opportunity to re-visit how leadership is chosen in OEO.

Program Monitoring and Financial Auditing Departments

The program monitoring department consists of a team of 5 program monitors, 4 program monitors, 1 is a senior program monitor. The financial auditing department consists of 2

⁹ S22, http://www.scstatehouse.gov/sess120_2013-2014/bills/22.htm

auditors, 1 is a senior auditor.

Both departments have a general process of how a field audit is conducted. From my observation of both teams at the respective CAPs, it was possible to glean the following:

1. The auditee was sent in advance a letter indicating the date and time of the audit. In addition, the auditee was asked to provide information necessary to the audit (program or financial) i.e. program monitors requested client files and financial auditors requested copies of bank statements, etc.
2. Field audits began with a meeting with the CAP director and/or the CAP financial liaison.
3. Goals for the upcoming audit were discussed.
4. A sample of the client files for each grant program was pulled for specific auditing purposes.
5. Logistics were discussed, i.e. who would be responsible for answering and clarifying issues, providing the client sample, etc.
6. Any issues that arose were addressed on site initially.
7. Finally, wrap-up meeting was held between the lead program monitor/finance auditor and CAP director and/or finance director.
8. Follow-up and final reports were submitted to the CAP's; copies to the OEO director.

In the program monitoring process, there are checklists for each of the grants, specific to programmatic requirements. I was able to participate in the audit of the CSBG/Employability audit for sample clients at the Orangeburg-Calhoun-Allendale-Bamberg Community Action Program.¹⁰

¹⁰ Attachment D

At the onset of this monitoring, client samples were pulled, reviewed and submitted. Any issues of concern for each of these client records were noted and the CAP was given the chance to explain and/or provide the necessary information to address the issue and reconcile it. In the sample worksheet, this particular client file did not have a copy of an SSN card for one of the client's dependents. Any other concerns identified by the team and its "lead" were discussed with the CAP's director and/or finance director. This approach allows OEO to maintain programmatic oversight while giving the CAP the autonomy and responsibility to address the issue(s) and respond back to OEO with possible solutions.

Similarly, the financial audit has a checklist as it relates to grant funds awarded, expenses and accounting books. In the Marlboro-Chesterfield financial audit, there was a checklist of what was required for the audit, i.e. bank statements, expense vouchers for the specified time period.

In the financial audit, as stated by the senior financial auditor in a work plan for the Lowcountry Community Action Agency, the "basic elements of review are revenue, expenditures, journal/accounting system entries, as well as business process and internal controls..."¹¹

In the audit at the Marlboro-Chesterfield CAP, the senior auditor and an additional auditor met with the finance director immediately after we arrived at the CAP. After the meeting, we were provided with the information requested per the initial letter.¹² I was able to assist the senior auditor with comparing what was requested by OEO and what the CAP provided per that request.

¹¹ Attachment E

¹² Attachment F

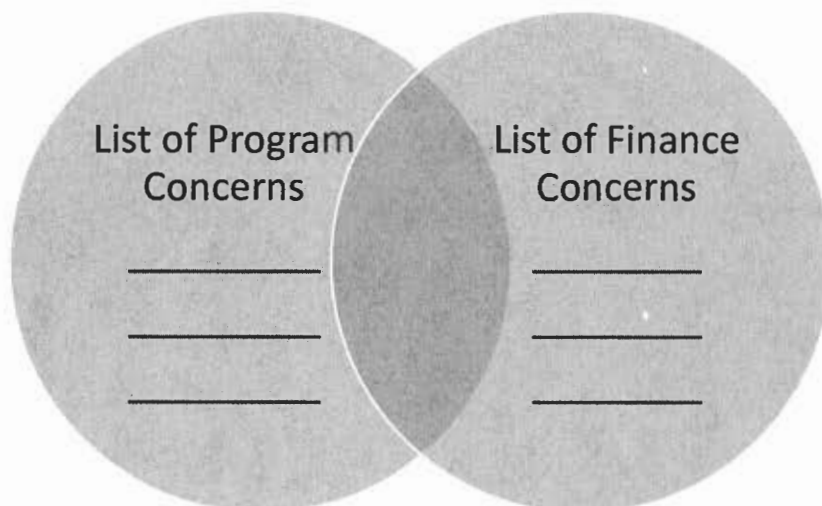
Even without an auditing or accounting background it was clear that the detailed analysis required for all of the information from just the CSBG grant was time consuming. For most of the audits, the finance auditing team devotes 1 week to compiling and reviewing data on-site. The finance auditing team still must analyze and report once they return to the office.

It is at this point I realized that more data is needed to conduct a comprehensive assessment of both departments and their respective auditing processes. The only conclusion I could make based on the information was that a compilation of all issues/concerns (big or small) should be reported and sent to the other auditing unit prior to their audit of that same CAP. I was unable to obtain more data before leaving the Office of the Governor and hesitate to draw further conclusions from the present data.

While an accurate analysis of the specific processes in each department is not possible without more data collection, I believe that OEO would benefit from restructuring their internal process of information sharing to contribute to minimizing risk.

Implementation Plan:

The Director, Senior Program Monitor and Senior Finance Auditor would be the main individuals to implement this information sharing process. They would have to first commit to the time to meet and determine what and how to share relevant information. A Venn Diagram or similar chart would be helpful. Program monitors would place their concerns on one side and the finance auditors would place their concerns on the other. In the shaded area is where both units determine what concerns require a deeper evaluation. For example:



Looking at the schedules, align or amend them to encourage the exchange of information that are of concern. For example, the program auditors conduct a field audit the 1st week in January. The program monitor would brief the finance auditor and the director the following Monday on any issues of concern. The finance auditors would then conduct their audit some time following the program monitor. After the finance auditors finished their audit, a meeting to re-cap both audits would follow.

Since there are 14 CAPs and a limited number of personnel on the program monitoring team and financial auditing team, it would be unrealistic to attempt this type of schedule in 12 months. Therefore, I divided the CAPs in half with an equal number of small, medium and large CAPs to be audited in each year.¹³ Then I calculated 12 months divided by 7 CAPs which roughly came to an audit every 7 weeks. From this information, I developed the attached schedule for 2014 and a list of proposed dates for calendar year 2015.¹⁴

¹³ Attachment G

¹⁴ Attachment H

The main obstacle to implementing this information sharing process would be the current federal grant cycles for all of the grants. While CSBG and LIHEAP are on the same federal grant cycle, the financial auditing team and program monitoring team would have to consider how to work in the other two grants (WAP and ESGP). I anticipate that either or both programs will have to adjust their auditing schedules. Since January is the start of the CSBG/LIHEAP grant cycle, now would be an optimum time for the program monitoring team and the financial auditing team to meet. Time management for each of the teams will be crucial to the success of implementing this program.

Summary

The programmatic and financial auditing units of OEO need to establish a consistent, comprehensive process of sharing information, specifically information regarding anomalies discovered in the course of their respective responsibilities. Once this process has been implemented, the specific auditing processes should be reviewed and evaluated.

In addition, with this current legislative session just beginning, it would be beneficial to OEO and OEPP to open a discussion regarding the current Department of Administration Bill and the possible addition of statutory language to address the leadership inconsistency issue. The responsibility for the oversight of such a large amount of federal grant funds demands no less.

ATTACHMENT A

2012 Poverty and Median Household Income Estimates - Counties, States, and National
Source: U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE) Program Release date: December 20 13

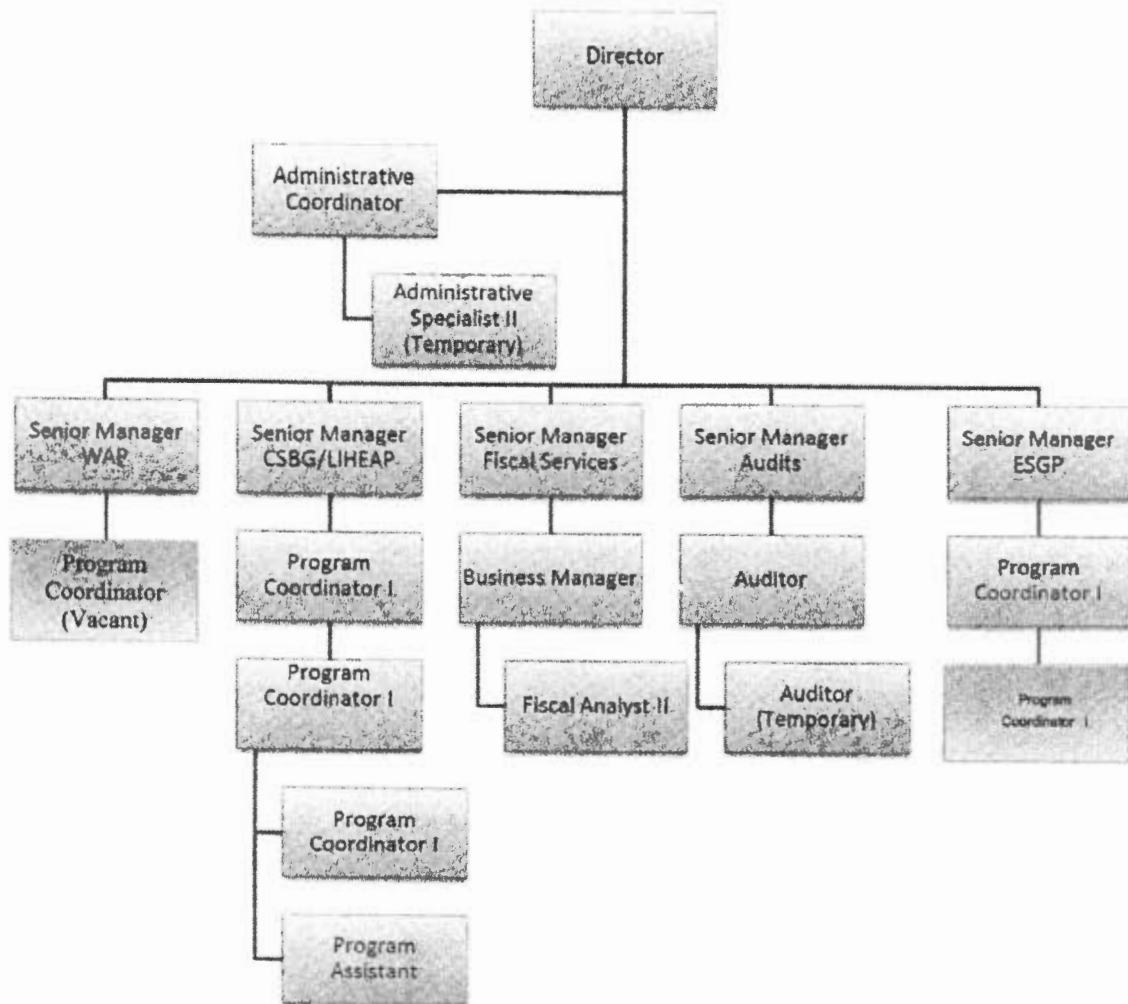
Name	Poverty Estimate, All Ages	90% CI Lower Bound	90% CI Upper Bound	Poverty Percent, All Ages
South Carolina	837,327	821,424	853,230	18.3
Abbeville County	4,911	4,017	5,805	20.2
Aiken County	27,465	23,622	31,308	17.1
Allendale County	3,562	2,800	4,324	41.1
Anderson County	33,021	29,269	36,773	17.7
Bamberg County	4,325	3,437	5,213	29.2
Barnwell County	6,304	5,385	7,223	28.8
Beaufort County	21,292	18,000	24,584	13.1
Berkeley County	25,549	21,828	29,270	13.8
Calhoun County	2,977	2,406	3,548	20.1
Charleston County	63,775	58,112	69,438	18
Cherokee County	12,331	10,559	14,103	22.4
Chester County	8,019	6,911	9,127	24.8
Chesterfield County	11,355	9,683	13,027	25
Clarendon County	9,826	8,609	11,043	30
Colleton County	8,283	6,769	9,797	22
Darlington County	16,894	14,596	19,192	25.3
Dillon County	8,695	7,349	10,041	28
Dorchester County	15,930	13,312	18,548	11.4
Edgefield County	4,932	4,036	5,828	21.1
Fairfield County	5,537	4,561	6,513	24.1
Florence County	26,967	23,248	30,686	20
Georgetown County	11,814	9,972	13,656	19.8
Greenville County	74,268	68,390	80,146	16.3
Greenwood County	14,055	11,859	16,251	20.9
Hampton County	5,105	4,202	6,008	26.6
Horry County	54,748	50,007	59,489	19.6

Jasper County	6,137	4,972	7,302	25.2
Kershaw County	9,961	8,197	11,725	16.1
Lancaster County	15,295	13,414	17,176	19.9
Laurens County	13,986	11,951	16,021	21.9
Lee County	4,989	4,000	5,978	29.8
Lexington County	39,034	34,662	43,406	14.6
McCormick County	1,906	1,518	2,294	22.1
Marion County	8,390	6,993	9,787	26
Marlboro County	7,062	5,739	8,385	28.4
Newberry County	6,361	5,189	7,533	17.5
Oconee County	12,955	11,144	14,766	17.5
Orangeburg County	22,196	19,398	24,994	25.2
Pickens County	21,012	18,287	23,737	18.7
Richland County	61,197	54,753	67,641	16.9
Saluda County	3,428	2,725	4,131	17.4
Spartanburg County	54,389	49,501	59,277	19.4
Sumter County	20,990	17,461	24,519	19.9
Union County	6,102	5,183	7,021	22
Williamsburg County	9,924	8,278	11,570	30.9
York County	30,075	26,521	33,629	13

ATTACHMENT B

9. Organizational Chart

Office of Economic Opportunity



ATTACHMENT C

2013 Schedules (Monitoring and Auditing)

Monitoring	Auditing
Wateree 3/11 – 1/14	Wateree 3/11 – 3/14
Darlington 5/6 – 5/9	
SHARE 6/10 – 6/14	
Chesterfield/Marlboro 6/24 – 6/27	
Wateree 7/8 – 7/12	
Piedmont 7/16 – 7/19	
Beaufort 7/29 – 8/1	
Charleston 8/12 – 8/16	
GLEAMNS 9/9 – 9/13	
Waccamaw 9/16 – 9/20	
OCAB 10/1 – 10/4	Chesterfield/Marlboro 10/7 – 10/11
LowCountry 10/21 – 10/25	
Aiken/Barnwell 11/19 – 11/22	
Carolina 12/2 – 12/6	

ATTACHMENT D

Community Services Block Grant Worksheet

AGENCY: OCAB, CAA MONITORING DATES: September 30-October 3, 2013

PROJECT: EMPLOYABILITY

Applicant: Tamitha Beckham DBA System I.D. _____

2012 Service Date April 25, 2013 County: Orangeburg Calhoun Allendale Bamberg

1. FPL (% of poverty) _____ % HH# 3 Age 40 / 11 / 9 / _____ / _____ / _____

SCROMA Income \$ _____ Income Correct in DBA: Yes ☐ No ☐

2. Application completed (fields), signed and dated by applicant and staff: Yes ☐ No ☐

3. File contains pictured I.D. and Social Security cards: Yes ☐ No ☒ Legible Yes ☐ No ☐

4. Income Verification: Checks ☐ SS ☐ SSI/Disability ☐ UI/DSS ☐ 0 Income Doc ☐ Other ☐ (Specify) _____

Voucher amount \$ _____ Type _____ Date _____

Check amount \$ _____ Check # _____ Date _____

1. Action Plan completed: Yes ☐ No ☐

2. Client status: currently enrolled ☐ completed ☐ dropped ☐

3. Copy of referral: Yes ☐ No ☐ follow-up: yes ☐ no ☐

4. Employed: yes ☐ no ☐ Education: yes ☐ no ☐ Partners: yes ☐ no ☐

Explain: _____

5. DBA notes validate client's progress: yes ☐ no ☐

ISSUES:

Revised 2/13

- No SSN card for Hiram Steady

Resolution:

Agency Response:

ATTACHMENT E

D.Graham
8-23-12

**Lowcountry CAA
Work Plan and Audit Schedule
(2nd Visit)
FYE: 12/31/10 and 12/31/11**

SCHEDULED VISIT: August 27-31, 2012

The Office of Economic Opportunity, as a recipient of several federal grants from various grantors is responsible for the coordination of these grant activities for the entire state of South Carolina. OEO has elected to pass responsibility for these grants to various subgrantees (CAP agencies and the SCACAP association for CSBG, CSBG-ARRA, LIHEAP, WAP, and WAP-ARRA) and various subgrantees for the ESG and HPRP program. As part of our pass-through responsibilities, we are required to ensure periodically that the financial controls of subgrantees are sufficient to promote the successful tracking of federal funds as well as to ensure federal funds were used in accordance with the various rules and regulations of the grant. OEO accomplishes this requirement through reporting requirements of subgrantee as well as period on-site field visits of subrecipients. The determination of on-site visits are based on risk analysis that takes into consideration prior year findings, programmatic monitoring reports, as well as other sources of information regarding the subrecipient. This analysis is performed each calendar year however, under certain circumstances subrecipients not on the original list may be reviewed in cases of need.

Our procedures are based on what we have identified as the main areas of concern for subgrantees. Our basic elements of review are revenue, expenditures, journal / accounting system entries, as well as business process and internal controls (very similar to those of a general AUP engagement). Though this is not all of the processes of the agency, we feel that this provides us with a broad enough range of review to judge the subgrantees ability to effectively administer the grants provided by OEO.

Our overall objective is to provide a conclusion on the Agency and its ability to:

1. Administer the grant. (conclusion on competency)
2. Utilize funds to create change that would otherwise be unavailable to the community. (conclusion on efficiency)
3. Use internal controls to ensure security of federal funds. (conclusion on security)
4. Maintain adequate lines of communication within the agency (between departments) as well as those outside the Agency. (conclusion on efficiency and ability to leverage local support)

With these objectives in mind, we have prepared an audit template in which we will perform various tests and reviews to determine if these objectives have been met. See our workpapers for further information regarding the layout of our test, reviews and other workpapers that support our overall conclusion.

After reviewing the workload and in consideration of the reviewers' abilities we have concluded that the field visit will entail the following actions to be performed by each reviewer:

Shawunda:

1. Will be responsible for the completion of...
 - a. WAP-ARRA Davis Bacon Compliance test which consist of WH347 reviews, Contractor and Client Files review (Workpapers)
 - b. Review of OEO grant programs client files (Workpapers)
 - c. Perform inventory of OEO Equipment
 - d. Review of Reconciliations (if time permits)
 - e. Completion of all Program Files
 - f. Assist Diana if finished early and as needed
 - g. Prepare Summary of audit results of assigned responsibilities and present to Diana

Diana:

1. Will be responsible for the completion of...
 - a. Review of Agency Board
 - b. Review of Internal Controls
 - c. Completion of Working Trial Balance
 - d. Assist Shawunda if finished early and as needed
 - e. Review of all OEO Programs (this includes the prep of the workpapers as well as the general files)
 - f. Prepare Field Audit Report

We will have approximately 20 hours each to complete our task in the field. We should be cautious in preparing work that can be performed back in the office while in the field since time is so limited. Any disagreements with staff should be disclosed to the audit manager.

Prepared by: Diana Graham *ADG*

Title: Senior Audit Manager

ATTACHMENT F

List of Required Items:

Agency: Lowcountry CAA, Inc

Periods under Review: January 1, 2011-December 31, 2011

Scheduled Field Audit Date: July 16, 2012 – July 20, 2012

The OEO Procedures Manual requires subrecipients of OEO grants to comply with OMB Circular A-110. OMB Circular A-110 requires per section ____ .53 (e) the following:

“The Federal awarding agency, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of recipients that are pertinent to the awards, in order to make audits, examinations, excerpts, transcripts and copies of such documents. This right also includes timely and reasonable access to a recipient's personnel for the purpose of interview and discussion related to such documents. The rights of access in this paragraph are not limited to the required retention period, but shall last as long as records are retained.”

With this in mind, please provide the following information. Please provide copies where copies are indicated and originals where copies are not specifically requested. Again remember that we are reviewing activities during your fiscal year ending and 12/31/11. This means that we will be looking at partial program years for the grants awarded. Refer to the engagement letter sent to the Agency Director for explanation of the effective periods under review for each grant program year.

Note: For the items Bolded, please submit these items to OEO by July 6, 2012. Contact Diana Graham if you have any questions.

1. Copy of the organizational chart applicable during the periods under review and the current year's chart.
2. Copy of the list of board members which includes their contact information for the period under review and the current period (if different).
3. Copy of the Agency's by-laws.
4. Copy of board minutes and financial reports submitted to the board during the time period from 1/1/11 to present.

5. Copy of your fixed asset listing and support for all the CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share program assets. Depreciation schedules of assets for the above noted programs should also be included.
6. Copy of your insurance policies held by your agency and your bonds if any held by the Agency on key employees. Insurance policies include building insurance coverage, tort liability, personal property, and vehicle insurance (if a vehicle has been purchased with OEO grant funds).
7. List of leveraging or local resources used by the agency in association with OEO grant programs (if any).
8. Copy of your chart of accounts and specification of account numbers applicable to the CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP, and Project Share funds.
9. **Copy of your trial balances for fiscal year ending December 31, 2011 for the CSBG, LIHEAP, WAP, WAP ARRA, ESG and Project Share Programs. For HPRP copies of trial balances are requested for fiscal years ending December 31, 2010 and December 31, 2011. Please refer to the Agency's field audit letter for the effective periods of the trial balances requested. Reports may be submitted via email to dgraham@oepp.sc.gov .**
10. All reconciliations performed during the periods of review. Reconciliations should include reconciliations of cash, revenues, and expenditures. Please provide bank statements used to prepare these reconciliations.
11. **General Ledger Details for the CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share funds for program years open during the fiscal year ending December 31, 2011. Fiscal year ending December 31, 2010 should also be included for the HPRP grant program. There should be separate reports ran for each program year. Please refer to the Agency's field audit letter for the effective periods of the general ledger details requested. Reports may be submitted via email to dgraham@oepp.sc.gov .**

If you have any questions please contact Diana Graham, Senior Audit Manager @ (803) 734-0521, or at dgraham@oepp.sc.gov.

12. Client assistance log for the periods under review so that we can verify the number of clients that received assistance from OEO grant programs.
13. Copy of the Agency's policies and procedures manuals for general functions and accounting functions of the agency.

14. Copies of job descriptions of each employee that administers the CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share programs at your Agency or plays a significant part in the administration of the Agency (director, finance, personnel, etc.).
15. Copies of rental agreements and lease agreements that are being funded by the CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share programs.
16. Any information regarding the petty cash accounts you have (Who is the authorized petty cash manager? How much petty cash does the agency allow to be held? Who approves the use of petty cash? Who requests and approves the replenishment of petty cash? What security measures are in place to ensure theft of petty cash is minimized? Etc.). This is only required if petty cash is used in the administration of the OEO grant programs.
17. Any information regarding investments and savings that have a material affect on the agency as a going concern if such investments or savings face a down turn or significant losses occur.
18. Copy of the inventory listing (if applicable) for the CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share programs. Please ensure values of inventory are included.
19. If there are any prepaids purchased by the Agency that were purchased with OEO grant funds please disclose such purchases in a brief letter or memo along with the value of the prepaid.
20. Has the Agency been involved in any litigation during the periods under review or presently? If so, please provide the information regarding the litigation, the potential for loss or gain, the programs, if any, affected by the litigation, and the likelihood of loss or gain.
21. A listing of all employees paid with CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share funds, their salary or hourly rate, and their date of birth (this will be used in place of the SSN to verify the employees name and information). This listing should be for all employees paid with program funds during the period under review.
22. Listings of any employees who were hired or terminated during the years under review that were funded in part with CSBG, LIHEAP, WAP, WAP ARRA, ESG, HPRP and Project Share funds.
23. The most recent copy of the agency's indirect cost rate agreement (if applicable).

24. Spreadsheet of all loans, lines of credit, and credit cards held by the Agency during the period. Please provide the loan amount, credit limit, and who has access to information regarding this financing tool and what funds / programs these financing activities are used for.
25. List of all bank account numbers (used during the reconciliations review).
26. Copy of the 2010 and 2011 Check Registers.
27. Copy of matching funds documentation for the periods under review *if not* already submitted to OEO (If applicable).

ATTACHMENT G

SC CAPs by Size		
Small (1-2 counties)	Medium (3-4 counties)	Large (5-6 counties)
Darlington County Community Action Agency (1)	Waccamaw Economic Opportunity Council, Inc. (3)	Carolina Community Actions, Inc. (5)
Piedmont community Actions, Inc (2) Beaufort/Jasper Economic Opportunity Commission, Inc. (2) Chesterfield-Marlboro Economic Opportunity Council, Inc. (2)	PeedDee Community Action Partnership (3) Charleston County Human Services Commission (3) Sunbelt Human Advancement Resources, Inc. (4)	Wateree Community Actions, Inc. (6) Aiken/Barnwell Counties Community Action Commission, Inc. (6) GLEAMINS (6)
Lowcountry Community Action Agency, Inc. (2)	Orangeburg-Calhoun-Allendale-Bamberg Community Action Agency, Inc. (4)	

ATTACHMENT H

Office of Economic Opportunity

Proposed 2014 Schedule

Program Monitoring Team	OEO Meeting (Program/Finance/Director)	Financial Auditing Team	Re-Cap Meeting (Program/Finance/Director)
February 10 -14, 2014 Aiken/Barnwell Counties Community Action Commission	February 18, 2014	February 24, 2014 Aiken/Barnwell Counties Community Action Commission	March 3, 2014 Aiken/Barnwell Counties Community Action Commission
March 31 – April 4, 2014 OCAB	April 7, 2014	April 14 – 18, 2014 OCAB	April 21, 2014
May 19 – 23, 2014 Charleston County Human Services Commission	May 27, 2014	June 2 – 6, 2014 Charleston County Human Services Commission	June 9, 2014
July 7 – 11, 2014 Waccamaw Economic Opportunity Council, Inc.	July 14, 2014	July 21 - 25, 2015 Waccamaw Economic Opportunity Council, Inc.	July 28, 2015
August 25 – 29, 2014 GLEAMNS	September 1, 2014	September 8 – 11, 2014 GLEAMNS	September 15, 2014
October 6 – 10, 2014 Chesterfield-Marlboro Economic Opportunity Council, Inc.	October 13, 2014	October 20 – 24, 2014 Chesterfield-Marlboro Economic Opportunity Council, Inc.	October 27, 2014
November 10 – 14, 2014 Darlington County Community Action Agency	November 17, 2014	December 1 – 5, 2014 Darlington County Community Action Agency	December 8, 2014

ATTACHMENT H

Office of Economic Opportunity

Proposed 2015 Schedule

Program Monitoring Team	OEO Meeting (Program/Finance/Director)	Financial Auditing Team	Re-Cap Meeting (Program/Finance/Director)
January 12-17, 2015 Wateree Community Actions, Inc.	January 19, 2015	January 26-30, 2015 Wateree Community Actions, Inc.	February 2, 2015
March 2-6, 2015 Sunbelt Human Advancement Resources, Inc.	March 9, 2015	March 16-20, 2015 Sunbelt Human Advancement Resources, Inc.	March 23, 2015
April 20-24, 2015 PeedDee Community Action Partnership	April 27, 2015	May 4-8, 2015 PeedDee Community Action Partnership	May 11, 2015
June 22-26, 2015 Beaufort/Jasper Economic Opportunity Commission, Inc.	June 29, 2015	July 6-10, 2015 Beaufort/Jasper Economic Opportunity Commission, Inc.	July 13, 2015
August 31-September 4, 2015 Carolina Community Actions, Inc.	September 8, 2015	September 14-18, 2015 Carolina Community Actions, Inc.	September 21, 2015
October 26-30, 2015 Lowcountry Community Action Agency, Inc.	November 2, 2015	November 9-13, 2015 Lowcountry Community Action Agency, Inc.	November 16, 2015
November 30-December 4, 2015 Piedmont Community Actions, Inc.	December 7, 2015	December 14-18, 2015 Piedmont Community Actions, Inc.	December 21, 2015